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EIGHTY-THIRD REPORT

Lehigh Valley Railroad Company

For the Year Ended December 31, 1936



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Lehigh Valley Railroad Company

Board of Directors

JAMES F. BELL	THOMAS H. McINNERNEY
COLBY M. CHESTER	EFFINGHAM B. MORRIS, JR.
MORRIS L. CLOTHIER	NORMAN B. PITCAIRN
ALAN C. DODSON	GEORGE T. SLADE
ARTHUR C. DORRANCE	JOHN R. SPROUL
DUNCAN J. KERR	ALFRED H. SWAYNE
EDWARD E. LOOMIS, Ex-Officio	

Officers

E. E. LOOMIS	PRESIDENT
D. J. KERR.....	ASSISTANT TO PRESIDENT
C. E. HILDUM	EXECUTIVE VICE PRESIDENT
JOHN DUFFY	VICE PRESIDENT—TRAFFIC
G. H. FOSTER	VICE PRESIDENT—OPERATION
R. W. BARRETT	VICE PRESIDENT AND GENERAL COUNSEL
H. R. GERMAN	SECRETARY AND TREASURER
A. F. BAYFIELD	COMPTROLLER



EIGHTY-THIRD REPORT

Philadelphia, Pa., March 15, 1937.

To the Stockholders of the Lehigh Valley Railroad Company:

The Board of Directors submits herewith its report for the year ended December 31, 1936:

INCOME

Total Operating Revenues.....	\$49,156,379.08
Total Operating Expenses.....	35,247,646.27
Net Operating Revenue.....	<u>\$13,908,732.81</u>
Railway Tax Accruals.....	\$3,071,076.38
Equipment Rents—Net	1,910,328.91
Joint Facility Rents—Net.....	226,369.67
	<u>5,207,774.96</u>
Net Railway Operating Income.....	\$ 8,700,957.85
Other Income	963,988.79
Total Income	<u>\$ 9,664,946.64</u>
Deductions from Income.....	8,341,121.84
Net Income	<u>\$ 1,323,824.80</u>

PROFIT AND LOSS

Balance, December 31, 1935.....	\$34,159,410.20
Transferred from Income.....	1,323,824.80
Tracks and Structures Retired	1,700,918.92
Miscellaneous	<u>11,992.28</u>
Balance, December 31, 1936	<u>\$33,770,323.80</u>

The net income of \$1,323,824 is due to the general improvement in business which began early in the year. Your Company participated substantially in the resulting increased traffic. Careful attention to operating details contributed to the results shown. Expenses were affected by severe weather conditions during the early part of the year and by the flood which occurred in March.

LEHIGH VALLEY RAILROAD COMPANY

Gross revenues amounted to \$49,156,379, an increase of 21% compared with the previous year. Expenses amounted to \$35,247,646, an increase of 10% over the previous year. The operating ratio was 72%, the lowest since 1916.

Payment in full was made to the Reconstruction Finance Corporation of a loan of \$3,000,000, due November 1st, and a payment of \$500,000 was made on a loan of \$1,500,000 due April 29, 1938. At the end of the year \$5,000,000 was still due the Reconstruction Finance Corporation.

Equipment Trust, Series "V", was increased during the year by the issuance to the Reconstruction Finance Corporation of certificates amounting to \$1,755,000. The proceeds were used to build 1,000 coal cars in the shops of your Company. This work was completed during the year.

Outstanding Equipment Trust obligations were reduced during the year by \$747,140, while payments amounting to \$222,000 were made on Public Works Administration Notes.

The Railroad Credit Corporation loan, described in previous reports, was reduced to \$577,136 and, at the close of the year, your Company had \$387,229 on deposit with the Corporation, under the marshalling and distributing plan.

A Federal Railroad Retirement Act and its companion tax measure, both effective March 1, 1936, are in litigation. They provide that all railroad employes and railroads shall be taxed in equal amounts and that pension payments on a prescribed basis shall be made to retired railroad employees. Under the provisions of the law your Company deducted 3½% of the earnings, up to \$300.00 per month, of all employees. For the ten months' period this amounted to \$608,483, which is being held on behalf of employees in a special bank account. Your Company added an equal amount to Railway Tax Accruals.

Under the provisions of the Social Security Acts, \$220,000 was accrued for Unemployment Insurance taxes during the year. This was at the rate of 1% for the entire payroll. For the year 1937, the rate increases to 2% and, in 1938, to 3%.

The State of New Jersey tax cases for the years 1932-1936, inclusive, are still in litigation. The total assessments for the five years are \$9,037,538, of which \$3,813,188 has been paid as of December 31, 1936. A further special payment of \$988,481 was made in January, 1937. The assessments are being contested as confiscatory and excessive. New Jersey taxes are proportionately much higher than those of any other State in the Union.

As of June 1, 1936, the Interstate Commerce Commission required Eastern railroads to reduce passenger fares to 2 cents a mile for coach passengers and 3 cents a mile for occupants of Pullman cars, at the same time discontinuing the surcharge previously collected from Pullman passengers. While the reduced rates have stimulated the vol-

LEHIGH VALLEY RAILROAD COMPANY

ume of passenger travel, there is reason to doubt that your railroad has obtained more net revenue as a result of the Commission's order.

In accordance with an Interstate Commerce Commission order, the emergency charges on various freight commodities, which have been collected since April 18, 1935, were discontinued as of December 31, 1936. Railroads as a unit vigorously opposed the removal of these surcharges which amounted, in 1936, for the Lehigh Valley, to \$1,778,-864. Without this, your Company could not have shown a net return at the end of the year. The termination of these emergency charges at a time when the cost of all materials used by the railroads was advancing and when the railroads faced the added costs of the Social Security and Retirement Acts was a serious blow. To offset some of the losses due to the abolition of emergency charges, the railroads are seeking Commission approval of increases in freight rates on certain commodities. This proceeding is now pending before the Commission.

On November 16, 1936, the Eastern railroads established store-door pick-up and delivery service on less carload freight. Your Company furnishes this service at approximately 150 points, including all of its larger stations.

Sixty-six new industries, sixty-three of them served directly by Lehigh Valley sidings, were located along the line of your railroad during the year. Further progress was made in securing tenants for the Starrett-Lehigh Building and Bronx-Lehigh Building, New York City, and these buildings are now more than eighty percent occupied.

Your Company's claim against the German Government on account of the Black Tom Explosion received active consideration during the year, and it is believed that some progress has been made.

Locomotives, passenger and freight cars, and floating equipment, owned by your Company were adequately maintained during the year. The policy of adding improved and economical devices to equipment was continued.

During the year 5.16 miles of track were relaid with 136-lb. rail and 107,464 ties were placed in tracks. The roadbed has been properly maintained.

On June 1, 1936, Mr. D. J. Kerr was appointed Assistant to the President.

On October 22, 1936, Mr. Fred M. Kirby resigned as a Director on account of ill health and Mr. Kerr was elected a member of the Board.

The loyal and efficient service rendered by officers and employees is appreciated and acknowledged with the thanks of the management.

For the Board of Directors,

E. E. LOOMIS,
President.

LEHIGH VALLEY RAILROAD COMPANY

GENERAL BALANCE SHEET

ASSETS		
INVESTMENTS:		
In road..... (See Note below)	\$40,182,304.51	.....
In equipment	60,451,241.14	.....
		\$100,633,545.65
Improvements on leased railway property		2,301,362.26
Miscellaneous physical property		125,668.16
Investments in affiliated companies:		
Stocks	\$89,947,504.41	.....
Bonds	20,882,630.00	.....
Advances	9,519,571.49	.....
		120,349,705.90
Other investments:		
Stocks	\$688,446.62	.....
Bonds	34,857.00	.....
Notes	2,159,533.75	.....
Miscellaneous	618,518.31	.....
		3,501,355.68
Total investments.....		226,911,637.65
CURRENT ASSETS:		
Cash	\$4,916,291.16	.....
Special deposits.....	665,336.48	.....
Loans and bills receivable.....	3,844.86	.....
Traffic and car-service balances receivable	1,434,412.51	.....
Net balance receivable from agents and conductors	922,142.31	.....
Miscellaneous accounts receivable.....	2,152,969.09	.....
Material and supplies.....	2,527,243.98	.....
Interest and dividends receivable.....	69,393.98	.....
Rents receivable.....	35,481.20	.....
Other current assets.....	29,397.55	.....
		12,756,513.12
Total current assets.....		
DEFERRED ASSETS:		
Working fund advances.....	\$129,610.81	.....
Insurance and other funds.....	134,799.60	.....
Other deferred assets	497,829.45	.....
		762,239.86
Total deferred assets.....		
UNADJUSTED DEBITS:		
Rents and insurance premiums paid in advance	\$22,135.29	.....
Other unadjusted debits.....	2,496,720.08	.....
		2,518,855.37
Total unadjusted debits.....		
TOTAL ASSETS.....		\$242,949,246.00
CONTINGENT ASSET:		
Additional Black Tom Claim not included above		\$2,703,539.48

NOTE:—The item Investment in Road represents only road property of Lehigh Valley Railroad Company proper (Phillipsburg, N. J., to Wilkes-Barre, Pa.). The total road and equipment investment of the system, including transportation subsidiaries, owned by your Company, is \$257,578,111.30.

LEHIGH VALLEY RAILROAD COMPANY

DECEMBER 31, 1936

LIABILITIES

STOCK:		
Common stock.....	\$60,501,700.00	
Preferred stock.....	37,750.00	
Total stock outstanding.....		\$60,539,450.00
Grants in aid of construction.....		117,936.92
LONG-TERM DEBT:		
Funded debt.....	\$117,936,000.00	
Less—Funded debt held in treasury or pledged	28,000,000.00	
	89,936,000.00	
Liability under sub-lease of equipment, December 16, 1930.....	53,000.00	
Reconstruction Finance Corp'n loans ..	5,000,000.00	
Equip. Trust Certificates Series T, U & V	5,123,000.00	
Public Works Administration loan	1,555,000.00	
Non-negotiable debt to affiliated companies	384,775.37	
Total long-term debt outstanding..		102,051,775.37
CURRENT LIABILITIES:		
Loans and bills payable.....	\$4,577,136.49	
Traffic and car-service balances payable	777,387.11	
Audited accounts and wages payable...	3,040,618.42	
Miscellaneous accounts payable.....	1,210,769.27	
Interest matured unpaid.....	391,885.00	
Dividends matured unpaid.....	28,800.39	
Unmatured interest accrued.....	690,131.19	
Unmatured rents accrued.....	503,617.91	
Other current liabilities.....	365,693.46	
Total current liabilities.....		11,586,039.24
DEFERRED LIABILITIES:		
Liability for provident funds.....	\$25,957.77	
Other deferred liabilities.....	568,829.77	
Total deferred liabilities.....		594,787.54
UNADJUSTED CREDITS:		
Tax liability.....	\$5,301,394.86	
Insurance and casualty reserve	75,000.00	
Accrued depreciation—Equipment	25,989,622.03	
Accrued depreciation—Miscellaneous physical property	63,784.83	
Other unadjusted credits.....	2,383,179.43	
Total unadjusted credits.....		33,812,981.15
CORPORATE SURPLUS:		
Additions to property through income and surplus.....	\$475,951.98	
Profit	33,770,323.80	
Total corporate surplus.....		34,246,275.78
TOTAL LIABILITIES.....		\$242,949,246.00
CONTINGENT LIABILITIES:		
Lehigh Valley Coal Co. 6% Notes due 1-1-38		\$2,920,500.00
New Jersey State taxes—not accrued ...		\$2,255,166.71

LEHIGH VALLEY RAILROAD COMPANY

INCOME STATEMENT

For the Years Ended December 31, 1936 and 1935

	1936	1935	INCREASE OR Decrease
AVERAGE MILES OF ROAD OPERATED...	1,332.10	1,348.49	16.39
OPERATING REVENUES:			
Anthracite coal freight revenue....	\$15,964,407.66	\$12,514,607.10	\$3,449,800.56
Bituminous coal freight revenue....	1,412,285.44	1,231,520.59	180,764.85
Merchandise freight revenue.....	25,899,372.95	21,658,139.68	4,241,233.27
Passenger revenue.....	2,670,937.19	2,345,142.82	325,794.37
Mail revenue.....	322,915.80	315,191.38	7,724.42
Express revenue.....	407,769.46	362,779.84	44,989.62
Other transportation revenue.....	1,760,499.93	1,644,851.85	115,648.08
Incidental revenue.....	718,190.65	549,692.34	168,498.31
Total Operating Revenues.....	\$49,156,379.08	\$40,621,925.60	\$8,534,453.48
OPERATING EXPENSES:			
Maintenance of way and structures.	\$3,043,875.35	\$3,196,055.04	\$152,179.69
Maintenance of equipment.....	8,446,020.22	7,284,074.85	1,161,945.37
Traffic expenses.....	1,354,299.53	1,329,522.53	24,777.00
Transportation expenses	20,410,966.64	18,261,013.80	2,149,952.84
Miscellaneous operations.....	237,653.17	203,370.53	34,282.64
General expenses	1,756,682.47	1,694,291.46	62,391.01
Transportation for investment—Cr.	1,851.11	916.87	934.24
Total Operating Expenses.....	\$35,247,646.27	\$31,967,411.34	\$3,280,234.93
NET OPERATING REVENUE.....	\$13,908,732.81	\$8,654,514.26	\$5,254,218.55
DEDUCTIONS FROM REVENUE:			
Railway tax accruals.....	\$3,071,076.38	\$2,114,406.24	\$956,670.14
Equipment rents—net.....	1,910,328.91	1,286,288.86	624,040.05
Joint facility rents—net.....	226,369.67	271,071.93	44,702.26
NET RAILWAY OPERATING INCOME	\$8,700,957.85	\$4,982,747.23	\$3,718,210.62
OTHER INCOME:			
Misc. non-operating physical property	\$50,602.52	\$72,438.92	\$21,836.40
Separately operated properties—profit	86,039.54	80,143.16	5,896.38
Dividend income.....	135,488.08	184,161.65	48,673.57
Income from funded securities....	488,782.61	491,526.70	2,744.09
Income from unfunded securities and accounts.....	33,680.30	39,007.45	5,327.15
Miscellaneous income.....	169,395.74	161,518.01	7,877.73
Total Other Income.....	\$963,988.79	\$1,028,795.89	\$64,807.10
Total Income.....	\$9,664,946.64	\$6,011,543.12	\$3,653,403.52
DEDUCTIONS FROM INCOME:			
Rent for leased roads.....	\$2,668,415.82	\$2,669,068.82	\$653.00
Miscellaneous rents.....	302,518.76	304,753.52	2,234.76
Miscellaneous tax accruals.....	192,037.31	115,096.95	307,134.26
Separately operated properties—loss	1,671.46	186.80	1,484.66
Interest on funded debt	4,318,986.74	4,500,908.43	181,921.69
Interest on unfunded debt	344,655.01	209,985.69	134,669.32
Miscellaneous income charges.....	512,836.74	285,537.91	227,298.83
Total Deductions from Income..	\$8,341,121.84	\$7,855,344.22	\$485,777.62
Net Income.....	\$1,323,824.80	\$1,843,801.10	\$3,167,625.90

LEHIGH VALLEY RAILROAD COMPANY

DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	IN TREASURY OR PLEDGED	IN HANDS OF PUBLIC	INTEREST		
					RATE	PAYABLE	ACCRUED DURING YEAR
LEHIGH VALLEY RAILROAD COMPANY:							
First Mortgage Bonds.....	May 15, 1868	June 1, 1948	.....	\$5,000,000	4%	June and Dec.	\$200,000.00
Consolidated Mortgage Bonds.....	Nov. 13, 1873	{ Perpetual Perpetual	.....	10,062,000	6%	June and Dec.	603,720.00
*General Consolidated Mortgage Bonds.....	Sept. 30, 1903	May 1, 2003	.....	39,538,000	4½%	June and Dec.	114,210.00
Equipment Obligations.....	.....	.....	{ \$1,000,000 24,400,000	20,697,000	4%	May and Nov.	1,585,560.00
Equipment Trust Certificates Series T & U..	.....	Nov. 15, 1937	.....	12,000,000	4½%	May and Nov.	937,365.00
.....	.....	\$208,000 semi-annually to	.....	53,000	5½%	May and Nov.	600,000.00
.....	.....	Mar. 1, 1937	.....	206,000	5%	May and Nov.	4,736.81
.....	.....	Various amounts semi-annually to	.....	.....	.....	Mar. and Sept.	18,966.68
.....	.....	Feb. 1, 1951	.....	4,917,000	4%	Feb. and Aug.	58,301.02
.....	.....	\$111,000 semi-annually to	.....	.....	.....	.....	.....
.....	.....	Aug. 1, 1943	.....	1,555,000	4%	Feb. and Aug.	65,086.07
.....	.....	{ Apr. 29, 1938 Jan. 1, 1938	.....	1,000,000	4%	Apr. and Oct.	#157,273.93
.....	.....	Feb. 1, 1956	.....	4,000,000	4%	Jan. and July	160,383.79
.....	.....	.....	2,600,000	.....	4%	Feb. and Aug.	.....
.....	.....	.....	\$28,000,000	\$101,667,000	.....	.....	\$154,499,603.30
Total Funded Debt and Interest.....	.....	.....	.....	.....	.....	.....	.....

* Amount of authorized issue, \$150,000,000.

† Excludes interest on securities pledged.

‡ Includes interest on \$3,500,000 paid off.

Guaranties and Rentals, December 31, 1936

FIRST MORTGAGE GUARANTIES	DATE OF ISSUE	DATE OF MATURITY	IN TREASURY OR PLEDGED	IN HANDS OF PUBLIC	GUARANTIES AND RENTALS		
					RATE	PAYABLE	ACCRUED DURING YEAR
Easton & Northern Railroad Co.	Oct. 7, 1895	Nov. 1, 1937	\$266,500	\$33,500	4½%	May and Nov.	\$13,500.00
Penna. & N. Y. Canal & R. R. Co., Consol.	Nov. 13, 1888	April 1, 1939	.....	{ 4,000,000 1,500,000	5%	April and Oct.	200,000.00
Lehigh Valley Terminal Ry. Co.	Oct. 1, 1891	Oct. 1, 1941	.....	{ 3,000,000 9,999,000	4½%	April and Oct.	67,500.00
Greenville & Hudson Ry. Co.	April 1, 1897	April 1, 1997	1,000	.....	4%	April and Oct.	120,000.00
Irvington R. R. Co.	Feb. 1, 1906	Feb. 1, 1956	350,000	.....	5%	April and Oct.	500,000.00
The Lehigh Valley Rail Way Co.	June 23, 1890	July 1, 1940	125,000	.....	5%	April and Oct.	17,500.00
Lehigh-Blo. Term. Ry. Corp'n	Nov. 1, 1916	Nov. 1, 1966	.....	15,000,000	4%	Feb. and Aug.	5,000.00
Middlex Valley Railroad Co.	Aug. 26, 1892	Nov. 1, 1942	5,000,000	.....	4½%	Jan. and July	675,000.00
Rochester Southern R. R. Co.	Nov. 1, 1895	Nov. 1, 1945	420,000	180,000	4½%	May and Nov.	235,000.00
Seneca County Ry.	Nov. 1, 1903	Nov. 1, 1983	425,000	.....	5%	May and Nov.	30,000.00
The Lehigh & Lake Erie R. R. Co.	Feb. 1, 1907	Feb. 1, 1987	500,000	.....	5%	May and Nov.	21,250.00
Lehigh Valley Harbor Terminal Ry. Co.	Mar. 1, 1924	Mar. 1, 1954	.....	3,000,000	4½%	Feb. and Aug.	135,000.00
Lehigh & New York R. R. Co.	Aug. 24, 1895	Sept. 1, 1945	.....	10,000,000	5%	Mar. and Sept.	500,000.00
Total.....	.....	.....	\$7,087,500	\$48,712,500	4%	Mar. and Sept.	80,000.00
RENTALS—LINES NOT OWNED:							
State Line and Sullivan Railroad Co. ....	.....	.....	.....	.....	.....	.....	\$#2,614,750.00
Raritan Terminal and Transportation Co. ....	.....	.....	.....	.....	.....	.....	\$20,000.00
New York Central Railroad Co. (Tonawanda Junction to Suspension Bridge, N. Y., 15.76 miles)	.....	.....	.....	.....	.....	.....	2,000.00
Taxes charged as Rentals.....	.....	.....	.....	.....	.....	.....	17,201.76
Total Interest and Rentals.....	.....	.....	.....	.....	.....	.....	14,464.06
Total Interest on securities in treasury or pledged.....	.....	.....	.....	.....	.....	.....	\$2,668,415.82

LEHIGH VALLEY RAILROAD COMPANY

General Operating Results for the Years Ended December 31, 1936 and 1935

	1936	1935	Increase or Decrease	Per Cent.
TRAIN AND LOCOMOTIVE MILEAGE				
Revenue freight train miles—locomotive...	4,567,864	4,357,434	210,430	4.83
Revenue passenger train miles—locomotive.	1,887,228	1,871,091	16,137	.86
Revenue milk and express train miles— locomotive	652,257	498,649	153,608	30.80
Total revenue service train miles—loco- motive	7,107,349	6,727,174	380,175	5.65
Revenue freight train miles—motor	27,807	14,474	13,333	92.12
Revenue passenger train miles—motor	590,065	594,969	4,904	.82
Total revenue service train miles— motor	617,872	609,443	8,429	1.38
Total revenue service train miles	7,725,221	7,336,617	388,604	5.30
Helping and light freight locomotive miles.	910,447	718,368	192,079	26.74
Helping and light passenger locomotive miles	233,025	213,121	19,904	9.34
Helping and light passenger motor miles ..	2,887	3,307	420	12.70
Total revenue service locomotive miles, ex- cluding switching and motor	8,250,821	7,658,663	592,158	7.73
Switching locomotive miles	4,373,190	3,807,769	565,421	14.85
Switching motor miles	5,832	4,584	1,248	27.23
Total revenue service locomotive miles, excluding motor	12,624,011	11,466,432	1,157,579	10.10
Non-revenue service locomotive miles	257,438	235,433	22,005	9.35
Non-revenue service motor miles	9,516	10,555	1,039	9.84
Per cent. helping and light of revenue serv- ice locomotive miles, excluding switch- ing and motor	13.86	12.16	1.70	13.98
CAR MILEAGE				
Freight car mileage—loaded	157,131,039	135,579,485	21,551,554	15.90
Freight car mileage—empty	77,395,393	72,431,480	4,963,913	6.85
Freight car mileage—caboose	4,696,289	4,516,223	180,066	3.99
Total freight car miles	239,222,721	212,527,188	26,695,533	12.56
Average number of loaded freight cars per train	34.19	31.01	3.18	10.25
Average number of empty freight cars per train	16.84	16.57	.27	1.63
Average number of all freight cars per train	52.05	48.61	3.44	7.08
Per cent. loaded of total car miles	65.69	63.79	1.90	2.98
Per cent. empty of total car miles	32.35	34.08	1.73	5.08
Per cent. caboose of total car miles	1.96	2.13	.17	7.98
Passenger car miles—including Pullman..	12,750,216	13,017,660	267,444	2.05
Baggage, dining, mail, express and milk car miles	12,717,077	11,627,544	1,089,533	9.37
Total passenger car miles	25,467,293	24,645,204	822,089	3.34
Average number of passenger train cars per passenger train	8.14	8.16	.02	.25
Non-revenue service car miles	193,092	491,284	298,192	60.70

LEHIGH VALLEY RAILROAD COMPANY

General Traffic Results for the Years Ended December 31, 1936 and 1935

	1936	1935	INCREASE OR Decrease	PER CENT.
Average miles of road operated.....	1,332.10	1,348.49	16.39	1.22
FREIGHT TRAFFIC				
Tons of revenue freight carried.....	22,163,476	17,881,789	4,281,687	23.94
Tons of company freight carried.....	1,939,500	1,802,593	136,907	7.60
Tons of all freight carried.....	24,102,976	19,684,382	4,418,594	22.45
Tons of revenue coal carried one mile.....	1,467,089,237	1,239,603,627	227,485,610	18.35
Tons of revenue merchandise carried one mile	2,510,255,621	2,074,079,383	436,176,238	21.03
Tons of company freight carried one mile...	120,441,027	122,920,824	2,479,797	2.02
Tons of all freight carried one mile.....	4,097,785,885	3,436,603,834	661,182,051	19.24
Tons of revenue freight carried one mile per mile of road.....	2,985,770	2,457,329	528,441	21.50
Average distance revenue freight carried— in miles	179.45	185.31	5.86	3.16
Revenue from freight.....	\$43,276,066.05	\$35,404,267.37	\$7,871,798.68	22.23
Average revenue per ton carried.....	\$1.95-258	\$1.97-991	\$.02-733	1.38
Average revenue per ton per mile—in cents	\$1.088	\$1.069	\$.019	1.78
Freight revenue per mile of road operated..	\$32,487.10	\$26,254.75	\$6,232.35	23.74
Freight revenue per revenue freight train mile	\$9.41-670	\$8.10-074	\$1.31-596	16.24
Tons of revenue freight per revenue freight train	865.45	758.19	107.26	14.15
Tons of all freight per revenue freight train	891.66	786.32	105.34	13.40
Tons of all freight hauled per revenue service locomotive mile, excluding switching ..	748.00	658.86	89.14	13.53
Average number of tons of all freight in each loaded car	26.07	25.35	.72	2.84
PASSENGER TRAFFIC				
Revenue passengers carried	1,068,816	878,409	190,407	21.68
Revenue passengers carried one mile	126,332,001	102,636,172	23,695,829	23.09
Revenue passengers carried one mile per mile of road	94,837	76,112	18,725	24.60
Average distance carried—in miles.....	118.20	116.84	1.36	1.16
Revenue from passengers.....	\$2,670,937.19	\$2,345,142.82	\$325,794.37	13.89
Average revenue per passenger—in cents....	249,897	266,976	17,079	6.40
Average revenue per passenger per mile—in cents	2,114	2,285	171	7.48
Average revenue from passengers per passenger train mile (excluding milk and express)	\$1.07-817	\$.95-100	\$.12-717	13.37
Passenger service train revenue.....	\$4,322,499.14	\$3,906,999.68	\$415,499.46	10.63
Passenger service train revenue per mile of road	\$3,244.88	\$2,897.31	\$347.57	12.00
Passenger service train revenue per train mile (including milk and express).....	\$1.38-119	\$1.31-787	\$.06-332	4.80
Average revenue passengers per car.....	10	8	2	25.00
Average revenue passengers per train (including mixed)	51	42	9	21.43
REVENUES AND EXPENSES				
Freight and passenger revenue.....	\$45,947,003.24	\$37,749,410.19	\$8,197,593.05	21.72
Freight and passenger revenue per mile of road	\$34,492.16	\$27,993.84	\$6,498.32	23.21
Total operating revenues	\$49,156,379.08	\$40,621,925.60	\$8,534,453.48	21.01
Total operating revenues per mile of road..	\$36,901.42	\$30,124.01	\$6,777.41	22.50
Operating expenses	\$35,247,646.27	\$31,967,411.34	\$3,280,234.93	10.26
Ratio of operating expenses to operating revenues	71.71%	78.69%	6.98%	8.87
Operating expenses per mile of road.....	\$26,460.21	\$23,706.08	\$2,754.13	11.62
Net operating revenue	\$13,908,732.81	\$8,654,514.26	\$5,254,218.55	60.71
Net operating revenue per mile of road....	\$10,441.21	\$6,417.93	\$4,023.28	62.69

LEHIGH VALLEY RAILROAD COMPANY

Additions and Betterments, Entire System, Year Ended December 31, 1936

	EXPENDITURES AND CHARGES	RETIREMENTS	NET AMOUNT
Engineering	\$48,725.19	\$38,382.35	\$10,342.84
Land for transportation purposes....	68,500.33	12,871.14	81,371.47
Other Right-of-Way—Expenditures .	874.42	.....	874.42
Grading	257,688.94	141,073.93	116,615.01
Bridges, trestles and culverts.....	67,318.70	17,292.23	50,026.47
Ties	17,343.14	192,896.48	210,239.62
Rails	29,894.48	274,522.45	244,627.97
Other track material.....	42,074.76	136,777.07	94,702.31
Ballast	44,823.88	35,073.77	9,750.11
Track laying and surfacing.....	31,789.34	210,822.43	179,033.09
Fences, snowsheds and signs	251.75	1,968.38	1,716.63
Station and office buildings.....	13,561.83	140,685.72	127,123.89
Roadway buildings	494.77	52,810.23	52,315.46
Water stations	179.69	32,348.47	32,528.16
Fuel stations	378.73	10,671.67	10,292.94
Shops and engine houses.....	2,634.02	524,601.18	521,967.16
Grain elevators .....	.....	.....	.....
Wharves and docks.....	8,677.96	.....	8,677.96
Coal and ore wharves.....	578.92	.....	578.92
Telegraph and telephone lines.....	106,591.76	7,524.93	114,116.69
Signals and interlockers.....	68,303.38	23,850.30	44,453.08
Power plants	3,172.28	1,078.00	4,250.28
Power transmission systems	1,925.83	7,015.10	5,089.27
Miscellaneous structures .....	.....	.....	.....
Roadway machines.....	.....	11,158.35	11,158.35
Public improvements—construction ..	69,110.20	767.15	68,343.05
Shop machinery.....	5,581.49	19,158.50	13,577.01
Power plant machinery	8,364.42	100,456.18	108,820.60
Steam locomotives	24,644.54	773,072.35	748,427.81
Other locomotives .....	.....	.....	.....
Freight train cars.....	2,524,895.16	1,837,123.41	687,771.75
Passenger train cars.....	1,106.59	105,845.29	104,738.70
Floating equipment .....	.....	29,891.55	29,891.55
Work equipment.....	3,705.03	231,827.19	228,122.16
Miscellaneous equipment.....	8,027.26	6,985.45	1,041.81
General expenditures.....	4,061.38	2,445.64	1,615.74
Total.....	\$3,055,228.09	\$4,980,996.89	\$1,925,768.80

LEHIGH VALLEY RAILROAD COMPANY

Classification of Tonnage for the Years Ended December 31, 1936 and 1935

COMMODITIES	1936		1935	
	TONS	PER CENT.	TONS	PER CENT.
Products of Agriculture	1,597,164	7.21	1,352,461	7.56
Animals and Products	466,364	2.10	452,812	2.53
Products of Mines	13,127,962	59.23	10,519,521	58.83
Products of Forests	295,623	1.33	238,628	1.34
Manufactures and Miscellaneous	6,351,478	28.66	5,041,065	28.19
Grand Total, Carload Traffic	21,838,591	98.53	17,604,487	98.45
All L.C.L. Freight	324,885	1.47	277,302	1.55
Grand Total Carload and L.C.L. Traffic	22,163,476	100.00	17,881,789	100.00





1936